# HOUSE BILL No. 1112

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-3-14.

**Synopsis:** Veterinarian tax credit. Provides a tax credit against adjusted gross income tax liability of a veterinary services provider that performs a spay/neuter procedure on an animal at no cost to the owner of the animal. Defines "veterinary services provider" as a: (1) veterinarian, if the veterinarian provides veterinary services as a sole proprietor; or (2) professional services corporation or other business entity, if a veterinarian provides veterinary services through the veterinarian's affiliation with the professional services corporation or other business entity. Specifies that the amount of the credit is the lesser of: (1) an amount equal to the total number of spay/neuter procedures performed by the veterinary services provider at no cost during the taxable year, multiplied by the average cost of a spay/neuter procedure otherwise charged by the veterinary services provider during the taxable year, multiplied by 3.4%; or (2) $3,700.

**Effective:** January 1, 2015 (retroactive).

# Hale, Bacon

January 8, 2015, read first time and referred to Committee on Ways and Means.

First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~
 Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in  **this  style  type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.
 Conflict reconciliation: Text in a statute in *this style type* or *~~this style type~~* reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

# HOUSE BILL No. 1112

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1     SECTION 1. IC 6-3-3-14 IS ADDED TO THE INDIANA CODE
2  AS  A **NEW** SECTION  TO  READ  AS  FOLLOWS  [EFFECTIVE
3  JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 14. (a) As used in this**
4  **section:**
5     **"Pass through entity" has the meaning set forth in IC 6-3-1-35.**
6     **"Veterinary services provider" means:**
7        **(1) a veterinarian (as defined in IC 15-17-2-102), if the**
8        **veterinarian provides veterinary services as a sole proprietor;**
9        **or**
10       **(2) a professional services corporation or other business entity**
11       **authorized under Indiana law to provide veterinary services,**
12       **if a veterinarian provides veterinary services through the**
13       **veterinarian's affiliation with the professional services**
14       **corporation or other business entity.**
15    **"Spay/neuter procedure" means a procedure performed by a**

1    **veterinarian to:**
2       **(1) sterilize a female animal by removing the ovaries; or**
3       **(2) castrate a male animal by removing the testicles or by**
4       **FDA approved pharmaceutical sterilization.**
5     **"Taxpayer" means an individual or entity that has any state tax**
6    **liability.**
7     **(b) Each taxable year, a taxpayer who:**
8       **(1) is a veterinary services provider; and**
9       **(2) performs a spay/neuter procedure on an animal at no cost**
10       **to the owner of the animal;**
11    **is entitled to a credit against the individual's adjusted gross income**
12    **tax liability in the taxable year in which the taxpayer performs the**
13    **spay/neuter procedure.**
14     **(c) The amount of the taxpayer's credit is the lesser of:**
15       **(1) an amount equal to the product of:**
16         **(A) the total number of spay/neuter procedures performed**
17         **on an animal by the veterinary services provider at no cost**
18         **to the owner of the animal during the taxable year;**
19         **multiplied by**
20         **(B) the average amount otherwise charged by the**
21         **veterinary services provider for a spay/neuter procedure**
22         **performed on an animal during the taxable year;**
23         **multiplied by**
24         **(C) three and four-tenths percent (3.4%); or**
25       **(2) three thousand seven hundred dollars ($3,700).**
26     **(d) If a pass through entity is entitled to a credit under**
27    **subsection (b) but does not have state tax liability against which the**
28    **tax credit may be applied, a shareholder, partner, or member of**
29    **the pass through entity is entitled to a tax credit equal to:**
30       **(1) the tax credit determined for the pass through entity for**
31       **the taxable year; multiplied by**
32       **(2) the percentage of the pass through entity's distributive**
33       **income to which the shareholder, partner, or member is**
34       **entitled.**
35    **The credit provided under this subsection is in addition to a tax**
36    **credit to which a shareholder, partner, beneficiary, or member of**
37    **a pass through entity is entitled. However, a pass through entity**
38    **and an individual who is a shareholder, partner, beneficiary, or**
39    **member of a pass through entity may not claim more than one (1)**
40    **credit for the qualified expenditure.**
41     **(e) The credit provided by this section may not exceed the**
42    **amount of the taxpayer's adjusted gross income tax liability for the**

1     **taxable year, reduced by the sum of all credits for the taxable year**
2     **that are applied before the application of the credit provided by**
3     **this section. The amount of any unused credit under this section for**
4     **a taxable year may not be carried forward to a succeeding taxable**
5     **year, carried back to a preceding taxable year, or refunded.**
6          SECTION 2. [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]
7     **(a) IC 6-3-3-14, as added by this act, applies to taxable years**
8     **beginning after December 31, 2014.**
9          **(b) This SECTION expires January 1, 2018.**
10          SECTION 3. **An emergency is declared for this act.**